

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1602 – SB 1955

April 2, 2018

**SUMMARY OF ORIGINAL BILL:** Authorizes certain persons to file to seek enforcement, declaratory or injunctive relief, and damages against a local government entity or state agency, after July 1, 2018, for (1) refusing to make certain properties available to entities sponsoring events that may involve firearms, (2) enacting or enforcing certain regulations regarding the ownership, construction, or operation of privately-owned or operated gun or sport shooting ranges, or (3) enacting or enforcing certain regulations which prohibit, restrict, or infringe upon a party's rights provided under the Tennessee Constitution, United States Constitution, or any state law relative to firearms, ammunition, or arms.

Increases requirements placed on local government which must be met in order to prohibit or restrict the possession of a handgun by a handgun carry permit holder on local government owned property and removes current exemptions provided to certain entities

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Exceeds \$100,000/One-Time

Increase Local Expenditures – Exceeds \$250,000/One-Time/Permissive  
Exceeds \$250,000/Recurring/Permissive

Other Fiscal Impact – Passage of this bill could put the Departments of Education and Children's Services out of compliance with federal regulations. The amount and timing of federal funding that could be jeopardized is unknown. Annual federal funding for both departments totals approximately \$1,290,492,000.

**SUMMARY OF AMENDMENT (016279):** Deletes and rewrites all language after the enacting clause such that the substantive changes are as follows: (1) removes applicability from local boards of education, libraries, facilities licensed under titles 33, 37, and 68, as well as state government agencies and departments; (2) removes the prohibition from enacting or enforcing regulations regarding the ownership, construction, or operation of privately-owned or operated gun or sport shooting ranges; (3) exempts regulations, which local government are currently authorized to enforce pursuant to Tenn. Code Ann. § 39-17-1314(b), for prohibition from enforcement; and (4) removes the increased requirements placed on local government which must be met in order to prohibit or restrict the possession of a handgun by a handgun carry permit holder on local government owned property.

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## **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

### **Increase Local Expenditures – Exceeds \$100,000/One-Time/Permissive**

Assumptions for the bill as amended:

- The amendment removes any applicability from state government; therefore, any fiscal impact on state government is estimated to be not significant.
- Parties would bring suit against local governments in the event of any direct or indirect act or omission which denied access to certain properties to entities sponsoring events that may involve firearms or if certain regulations were enacted or enforced.
- If the plaintiff against the local government prevails in the suit, the local government would be liable for payment of all court costs, reasonable attorney's fees, as well as the greater of either actual damages or three times the plaintiff's attorney's fees.
- Due to multiple unknown variables, such as how many local governments will deny access to certain properties or enact or enforce certain regulations, how many impacted parties will bring suit as plaintiffs against local governments, how many plaintiffs will prevail in such suits, the extent of any relief awarded to the prevailing plaintiff, a precise increase in local expenditures cannot be determined, but is reasonably estimated to exceed \$100,000 per suit.
- Local government entities are not required to deny access to properties or to enact or enforce certain regulations; therefore any increase in local government expenditures is considered permissive.
- Local government entities will be deterred from denying access to certain properties or enacting regulations once one local government entity is sued; therefore the permissive one-time increase to local government expenditures is estimated to exceed \$100,000.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/jrh